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SC PUBLIC SERVICE

September 7, 2006

The Honorable G. O'Neal Hamilton Chairman, Public Service Commission of South Carolina P. O. Drawer 11649 Columbia, South Carolina 29211

Re:

Docket No. 2006-107-WS: United Utility Companies, Incorporated ("UUC") Application for Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service

Dear Chairman Hamilton:

The purpose of this letter is to supplement the parties' Settlement Agreement.

ORS has a representative of our Consumer Services Department at each night hearing. Also, it is the policy of ORS to contact, either orally or in writing, each customer witness who testifies that he or she has a service issue which has not been resolved. ORS has followed its policy in this docket. ORS also advises customers of their right to file a formal complaint with the Commission.

A total of fifty-six UUC customers testified at the five night hearings held in this docket in Anderson, Greenville, Spartanburg, Cherokee and Union counties. (UUC has 100 water customers and 1,797 wastewater customers.) Forty-one of them voiced their opposition to the proposed rate increase and did not address any service quality issues in their testimonies. Thirteen customers testified to billing or other service quality concerns. One customer stated that he had a buyer for the UUC system and another customer stated she had some questions and was directed to ORS.

The parties have agreed to file this letter with the Commission as a supplement to their Settlement Agreement on file in this Docket and ask that the Commission accept it as such. We appreciate the opportunity to bring these matters to the attention of the Commission.

Respectfully submitted,

Shann Bowy Hedger Nanette S. Edwards

Shannon B. Hudson

Attorneys for ORS

AGREED TO ON BEHALF OF APPLICANT

John M.S. Hoefer, Esquire

Counsel for United Utility Companies, Incorporated

cc: Vice Chairman C. Robert Moseley

Commissioner John E. Howard

Commissioner David A. Wright

Commissioner Randy Mitchell

Commissioner Elizabeth B. Fleming

Commissioner Mignon L. Clyburn

Charles L. A. Terreni, Esquire

Duke K. McCall, Esquire

Rebecca H. Zabel, Esquire

George K. Lyall, Esquire

Jacqueline H. Patterson, Esquire